Testimony of Gov. Edward G. Rendell on High-Speed Passenger Rail: How Soon Will It Get Here? Senate Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety and Security June 23, 2009

Chairman Lautenberg, Ranking Member Thune, and Members of the Committee, thank you for the opportunity to testify before you this afternoon on the Obama Administration's high-speed rail strategic plan. Not since the implementation of the Interstate Highway System have we been afforded such a momentous opportunity to change how this country moves forward.

But in order to succeed we will have to be smart, strategic and make tough and honest choices about paying for a first-rate national rail system, something this country has long struggled to do. The \$13 billion is a great down payment, but we will need to invest much, much more. The good news is that I and many other elected officials across this country stand ready to support the effort.

I am testifying today wearing three hats, as Governor of Pennsylvania, as
Chairman of the National Governors Association, where I have made infrastructure
the key initiative for this year, and as Co-Chair of Building America's Future.

Last year I joined with California Governor Arnold Schwarzenegger and New York City Mayor Michael Bloomberg to form Building America's Future. Our bipartisan coalition of state and local elected officials shares a vision for a new era of increased national infrastructure investment that will spur job creation and long-term economic competitiveness, address climate change and our dependence on fossil fuels, and enhance safety and quality of life for our citizens. Promoting investment in passenger rail is a key priority for our group.

Take Pennsylvania as an example. In 2006 we completed a relatively modest \$145 million improvement project with Amtrak to increase speeds on the Keystone Corridor to 110 miles per hour between Harrisburg and Philadelphia. The trip time dropped from two hours to 90 minutes and the result was a 26 percent boost in annual ridership from 890,00 to 1.1 million.

There are similar projects all across the country, where improvements to existing track and improved signaling which can reduce trip times and spur big increases in ridership for relatively modest costs. There are a number of these that we must undertake.

But we must also push for a comprehensive network of true high-speed rail as the Europeans and Asians have built. Such a network will be a catalyst for growth and development along its corridors, and will better connect Americans as our population continues to grow as well as reduce carbon emissions and improve quality of life.

It could end air travel of less than 500 miles, a positive for both travelers and the airline industry. With high-speed rail along the Northeast Corridor, the shuttle could shut down and those slots could be used for longer, more profitable flights throughout the U.S.

High-speed rail will create jobs for our citizens and orders for American factories, especially in some of the hardest hit parts of our country, where there is tremendous manufacturing capacity to build rail cars, tracks and equipment using American concrete and steel.

As the automakers continue to shed workers, consider that the SNCF, France's national rail company which runs the TGV, employs over 200,000 people in a country that's one-fifth the size of the US in population. One can only imagine the

amount of highly-skilled, good paying jobs that would be created and sustained by a robust national rail network in this country.

And Europe and Asia continue to invest in improving their already world-class networks. The French TGV has been up and running since 1981 and now achieves speeds of 199 miles per hour. The Japanese Shinkansen was inaugurated in 1964, at a speed of 130 mph, and is now up to 186 miles per hour. The Beijing-Tianjin train runs up to 217 miles per hour; the Shanghai maglev train achieves speeds up to an incredible 268 miles per hour. At those speeds, train travel is transformed into a mode competitive with air and vastly superior to the automobile.

But building such a system in the U.S. will require public and political will to invest well beyond \$8 billion in economic recovery funds and the \$5 billion in the President's FY10 budget in return for true high speed rail. California's system alone is estimated to cost at least \$45 billion and a national system will cost much more than that.

The guidance recently issued by the Federal Railroad Administration for the \$8 billion in economic recovery funds requires only that eligible projects demonstrate the capacity to go at least 110 miles per hour. And for many rail routes, that would

be a sufficient level of improvement, but would not create a world-class high-speed rail system that achieves European and Asian speeds.

A few weeks ago, a group of Governors, including myself, Wisconsin Gov. Jim Doyle, Michigan Gov. Jennifer Granholm, Virginia Gov. Tim Kaine, Missouri Gov. Jay Nixon, Massachusetts Gov. Deval Patrick, Georgia Gov. Sonny Perdue, and Illinois Gov. Pat Quinn were hosted at the White House for a discussion on high-speed rail with Vice President Biden and Secretary LaHood. There was a lot of excitement and many states have plans ready to go, but there was also a realization that we are embarking on a huge technical, political and financial undertaking.

There was general agreement that while there are incremental improvements we must make to our current rail system, in the end we must do much more. If all we wind up with is upgrading our existing 19th century rail technology, while our economic competitors forge ahead with 21st century rail systems, then we will not have succeeded in creating the kind of transformational change President Obama, Members of Congress, and so many others have envisioned.

States across the country are ready and willing to commit resources to this effort, but will need an ongoing and significant Federal commitment. A high-speed rail system will have a dramatic effect on reducing carbon emissions and we should be exploring ways to fund it through national climate change legislation as well as other funding sources such as gas taxes, VMT fees, tolling and congestion pricing and a National Infrastructure Bank.

Let's seize this moment.

Thank you, Chairman Lautenberg, Ranking Member Thune, and Members of the Committee. I welcome your questions.